

LaRouche: West must make Russians an offer

by Nancy Spannaus

In the wake of the rapid-moving developments in the Soviet Union, U.S. presidential candidate Lyndon LaRouche has issued a series of statements insisting that the International Monetary Fund policy of the West associated with Harvard economist Jeffrey Sachs be immediately dumped, if disastrous consequences are to be averted. He specifically took President Bush to task for his insistence on continuing the very same economic policies that led to the coup to begin with. Bush was quoted on BBC Aug. 22 as saying there should be no change in western policies, but that now the Russians must make "much more progress toward a free market economy," before more aid is offered.

On Aug. 22, LaRouche said: "The situation is this. Yugoslavia is gripped by an increasingly bloody civil war, which threatens to spread into Albania, Greece, and Bulgaria. The immediate cause of that civil war is the collapse of the Yugoslav economy, a collapse which is caused by Harvard Prof. Jeffrey Sachs's so-called shock therapy—the Sachs version of what is called radical economic reform. At the same time, the economy of Poland is now gripped by a spiraling national bankruptcy collapse which is also caused by Professor Sachs's radical economic reform.

"The central issue of the recent coup attempt in Moscow was the same: the Sachs model of radical economic reform. The Soviet efforts to carry out their own version of Sachs's lunatic ideas have brought the economic desperation in Russia to the brink of civil war. The Bush administration's reaction to this coup is to call for pushing ahead now with an all-out radical economic reform in Russia. What will it take to bring George Bush to his senses?"

Germany demands re-evaluation

In contrast to Bush and the British prime minister, German Chancellor Helmut Kohl and Foreign Minister Hans-

Dietrich Genscher have issued urgent calls for additional substantial economic aid to the Russians. European Community President Jacques Delors has also come out arguing that EC members must "put their pockets where their mouths are."

Unfortunately, the German statements included reference to the IMF and other radically monetarist international financial institutions as the mediators for increased aid. This would automatically preclude the kind of massive infrastructure-building approach which has been laid out by LaRouche in his "Productive Triangle" program for a European-sparked global economic recovery, and which is the only plan on the table that could prevent further dramatic economic collapse in the Soviet Union.

Bush, on the other hand, has rejected any early summit of western leaders to consider demands for aid to the Soviet Union, because he is concerned that Germans "might seek a summit to force through demands for coordinated western aid" to the U.S.S.R.

The Soviets face famine over the coming months, due to the devastating physical breakdown of capabilities for the harvest. Unless this crisis is addressed with emergency measures coming from the West, there is no hope of avoiding further strife and bloodshed.

LaRouche told you so

Candidate LaRouche, in a statement issued Aug. 20, outlined not only the errors of the current western leaders, but the approach that has to be taken:

"I'll say this: I told you so.

"Since the 1988 presidential campaign, I fought against the policies of most of the Democratic Party and the Bush campaign, insisting, that with the present U.S. policies toward Moscow, the pro-Gorbachov policies as they were

known, we were working toward a scenario of precisely the type which has now erupted in Moscow, with a danger of a bloody civil war or who knows what else alternative looming rapidly.

"*I told you so.* I was right; President George Bush was wrong, the Democrats were wrong. Okay. Where do we go from here?"

'I want my Gorbydoll!'

"Well, you see what's happened. Margaret Thatcher doesn't know what's going on; though, sure enough, that doesn't stop her from talking. John Major, the prime minister of Britain, is a minor figure in this mess. Bush is acting like a crybaby: 'I want my Gorbydoll!' And Ton-Ton Mitterrand, the President of France, is not doing much better. These are the main architects of the so-called 'new world order' of George Bush. They're all sitting down on the floor, having tantrums: crying like crybabies. They blundered. They goofed. They caused this problem; it was coming, and they refused to admit it was coming, and now it's come. And now they say, with George Bush: 'I want my Gorbydoll!'"

"Well, it's time to grow up and face reality. The reason this happened—forget all the details, forget the soap opera, forget the gossip of what went on behind the scenes—what happened was *what I saw would happen*, back in 1987 and '88 on the basis of this 'I love Gorby' campaign at the time.

"What the West is demanding of Russia, and what Mikhail Sergeyevich Gorbachov has so far been acceding to, is what is known in Poland as the plan of Harvard Prof. Jeffrey Sachs. That plan has ruined Yugoslavia; it is the failure of the Sachs Plan which provided the fuel which set off the bloody situation inside Yugoslavia. It is the Sachs Plan which has bankrupted Poland. It is the Sachs Plan and the Sachs policy which is about to bankrupt Czechoslovakia, which is threatening Hungary. It is the influence of thinking like the Sachs Plan, which has caused a dislocation in the policy of the Federal Republic of Germany, with the effects we see in east Germany, where development has not proceeded as it should have.

A Sachs Plan for the Soviet Union

"The United States essentially is demanding from the Russians that they accept IMF conditionalities and General Agreement on Tariffs and Trade conditionalities which are tantamount to the Sachs Plan. That plan, or the attempt of the Russians to adapt to something like that, has caused a dislocation amounting to chaos inside the Soviet Union. This means that food is not delivered; that up to 40% of the harvest *rots*, rather than getting to hungry people. Disorder. Chaos.

"What has happened, then, is a natural reaction, that a section of the Russian establishment—that is, the people in positions of power, who run industries, who run agricultural enterprises, who run trade union organizations, who run the police organizations, who run the military organizations—

says, we cannot risk this; if we go into a winter like this, we're going to have famine; we're going to have incalculable chaos; we must act now. Gorbachov refuses to act; he continues to vacillate; he's capitulating to the West. Well, under those circumstances, you might have a coup against Gorbachov, organized by Gorbachov, in an attempt to blackmail the West into changing its policy—to save him, so to speak.

The West needs a recovery, too

"But the essential thing is this. If the United States, and Britain, and Paris in particular, would learn their lesson, would learn to stop acting like fools, they would say to the Russians, 'All right. You can have your own economic reform, on your own conditions, without any Jeffrey Sachs Plan, without any disastrous Polish model.' We would say clearly, we do not want to do to you, the nations of the Soviet Union, what our folly helped to do to Yugoslavia, and is helping to do to Poland, for example. Yes, we have some bad ideas, too, from our quarter. We want something that works; and we offer you cooperation to devise something that will work.

"We are withdrawing our demands that you accede to the crazy free trade ideas of Margaret Thatcher and similar ideological idiots. Let's have a sensible plan of cooperation for the economic reform and development of the Soviet Union and its member states. And we can say frankly, 'Look, buddy, we need it, too'; the United States is in a depression. The U.S. recovery went on vacation in the summer of 1987, and is never going to return on the present schedule. Things just aren't that attractive.

"We need a recovery. We need a boom in world trade. And rebuilding eastern Europe, rebuilding areas of the Soviet Union and Central and South America and Africa and Asia, are the best chance for the United States to get out of its own present depression.

"So, that's making a fairly short story long, and a fairly long story short. Let's stop crying, 'I want my Gorbydoll!' Let's come up with concrete, practical offers *now!* If we make an offer, we can shape the Soviet situation, at least the best we can shape it. *We'd better make the offer.* If we don't make the offer, we're just going to be bystanders, perhaps watching a bloody civil war, or something worse, perhaps, than is going on already in Yugoslavia."

Momentous events

As of this writing, which follows the tumultuous appearance of Gorbachov before the Russian Parliament, it is clear that Gorbachov has not returned to power, and is in his post at the mercy of the Russian authorities. In addition, the Russian hegemony has led to the opening of the political floodgates against the Communist Party. To ensure that this opportunity will be used effectively to reverse economic devastation and its consequences, must be the commitment of all patriots and world citizens.